

Streamlined Sales Tax Governing Board 2023 Annual State Compliance Reviews Summary

States With No Compliance Issues Identified:

Arkansas	Indiana	Iowa	Kansas	Kentucky	Minnesota	
Nebraska	Nevada	New Jersey	North Carolina	North Dakota	Oklahoma	Rhode Island
South Dakota	Utah	Vermont	Washington	West Virginia	Wisconsin	Wyoming

States With Potential Compliance Issues Identified:

Georgia	Michigan	Ohio
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Associate Member States With Issues Identified But Which Don't Affect Associate State Membership Compliance:

Tennessee

Georgia						
Statement of the issues	SSUTA section and/or rule reference	State authority	State's written comments	BAC/ public comments	Staff Comment	CRIC decision
GA Issue 1: Administration of exemptions						
The state has been declared out of compliance since 2013 because effective March 5, 2013, sellers are required to exercise good faith when accepting exemption	SSUTA Section 317	48-8-38				
GA Issue 2: Acceptance of the SER						

**Streamlined Sales Tax Governing Board
2023 Annual State Compliance Reviews Summary**

The state has been declared out of compliance since 2013 because the state does not accept the SER from all sellers.	SSUTA Section 318	48-8-39				
GA Issue 3: Caps and						
Legislation passed in 2017 put a cap of \$35,000 of tax on certain boat repairs.	SSUTA Section 323	48-8-3.4				
GA Issue 4: Local Sales Tax Base						
Legislation passed in 2017 extended the exemption for food to an equalized homestead option sales tax passed in the future by referendum. Food is not exempted from other local sales taxes.	SSUTA Section 302	48-8-3(57)	Effective April 1, 2018, DeKalb County has one local tax that doesn't apply to certain food sales, while other local taxes do apply to such sales.			

Michigan						
Statement of the issues	SSUTA section and/or rule reference	State authority	State's written comments	BAC/ public comments	Staff comment	CRIC decision

Streamlined Sales Tax Governing Board
2023 Annual State Compliance Reviews Summary

Prepared food	Sec. 327 – Definitions – Prepared food		In 2020, the MI Ct of App held that MI’s rule incorporating the 75% prepared food threshold as required by the Agreement was invalid. MI had until 1/1/2023 to correct the issue or be found not in compliance. Although the issue has not been corrected, two House bills were introduced in April 2023 which would correct the issue and bring MI back into compliance. Neither of these bills have not been approved as of the date of this review but the Treasury continues to work closely with the legislature and interested stakeholders to advance the bills.			
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Ohio						
Statement of the issues	SSUTA section and/or rule reference	State Authority	State's written comments	BAC/ public comments	Staff Comment	CRIC decision
Sales Tax Holiday	SSUTA Sec. 322				Because the expanded sales tax holiday does not apply until 2024, it does not impact current compliance but will raise a compliance issue next year if not corrected prior to then.	

Streamlined Sales Tax Governing Board
2023 Annual State Compliance Reviews Summary

Effective 10/1/2023, the existing sales tax holiday provisions are expanded to apply to all tangible personal property.	Sec. 322.A.1		The current sales tax holiday is for school supplies, school instructional materials and clothing only, which is in compliance with the SSUTA. The new holiday, effective 10/1/2023, applies to all tangible personal property with a price not more \$500 with a few exceptions.			
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Tennessee						
Statement of the issues	SSUTA section and/or rule reference	State authority	State's written comments	BAC/ public comments	Staff Comment	CRIC decision
<p>The Tennessee legislature has adopted a majority of SSUTA sourcing provisions with a delayed effective date of 7/1/2024. However, Tennessee has not adopted many provisions required to become a full member state.</p> <p>Tennessee remains an Associate member state.</p>						

West Virginia						
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2023 Annual State Compliance Reviews Summary**

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<p>In 2021, the business community raised issues that streaming services fall within the definition of one or more of the specified digital goods, to be in compliance with Section 332 requirements of the SSUTA, the language related to permanent/non-permanent use, continued payments, etc. needed to be included in WV statute.</p> <p>WV was voted not to be out-of-compliance.</p> <p>BAC submitted the question to the Issue Resolution Committee (IRC). The IRC reviewed the issue and made a recommendation to the Governing Board. The Governing Board did not take a vote on the recommendation. A subcommittee is currently reviewing the issue.</p>						